



# Department of Justice

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## **FORMER NEW YORK CITY EMPLOYEE PLEADS GUILTY TO CONSPIRACY TO COMMIT BRIBERY ON NEW YORK PIER 86 PROJECT**

WASHINGTON — A former New York City engineer pleaded guilty today to participating in a conspiracy to commit bribery in connection with a project to repair New York's Pier 86, the principal location of the Intrepid Sea, Air and Space Museum, the Department of Justice announced.

Charles N. Kriss, a former New York City Department of Citywide Administrative Services engineer, pleaded guilty to a one-count indictment, which was filed on June 5, 2008 in the U.S. District Court in Islip, N.Y., and charged him with accepting money in return for ensuring that a co-conspirator corporation received orders for plastic marine pilings on a project overseen by New York City to repair Pier 86.

Plastic marine pilings are reinforced synthetic pilings, resembling telephone poles, used as substitutes for traditional wood timber pilings in port and pier construction projects and other marine applications.

Under the terms of the plea agreement, which is subject to court approval, Kriss has agreed to plead guilty, serve a sentence and pay a fine that will be determined by the court, and cooperate in the ongoing investigation. According to the charge, the conspiracy to bribe Kriss began in or about 1999 and continued until in or about 2003.

"Bribery undermines the benefit of competition, which lies at the heart of the Antitrust Division's mission," said Thomas O. Barnett, Assistant Attorney General in charge of the Department's Antitrust Division. "We prosecute such violations to the full extent of the law."

The former president of a Virginia-based marine products firm, Robert Taylor, pleaded guilty in May 2007 in U.S. District Court in Norfolk, Va., to multiple felonies, including a charge of conspiring to bribe Kriss to ensure that his company received orders for plastic marine pilings for use in repairs to Pier 86. In January 2008, he was sentenced to serve two years in prison and pay a \$300,000 fine.

Taylor's firm added 10 percent on purchase orders for work done on the reconstruction of Pier 86, and the conspirators funneled that money to Kriss to influence him to direct orders for plastic marine pilings to Taylor's company, and to reward him for doing so. This extra payment affected more than \$400,000 in purchase orders.

The charge against Kriss carries a maximum penalty of five years imprisonment and a

\$250,000 fine for individuals.

Today's charge reflects the Department's commitment to protecting U.S. taxpayers from procurement fraud through its creation of the National Procurement Fraud Task Force. The National Procurement Fraud Initiative, announced in October 2006, is designed to promote the early detection, prosecution and prevention of procurement fraud associated with the increase in contracting activity for national security and other government programs.

The ongoing investigation is being conducted by the Antitrust Division's National Criminal Enforcement Section and the Department of Defense's Defense Criminal Investigative Service, with the assistance of the Office of the Inspector General of the New York City Department of Citywide Administrative Services.

Anyone with information concerning bid rigging or other anticompetitive conduct in the marine products industry is urged to call the National Criminal Enforcement Section of the Antitrust Division at 202-307-6694, or the Long Island Office of the Defense Criminal Investigative Service at 631-420-4302.

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